

CASE STUDY: INDUSTRIAL FASTENER DISTRIBUTOR



Stocking Agreement Reduces Specialty Product Lead Times for Texas-Based Distributor

APPLICATION

An industrial fastener distributor located in Houston, Texas specializes in a full line of industrial fasteners including: threaded rod, bolts, nuts, screws, washers and custom per print stud lengths. They pride themselves on committed excellence to their customer, the end user.

CHALLENGE

The industrial fastener distributor was having lead time difficulties with another vendor for custom per print stud lengths. These parts require a tight tolerance, country of origin specification, plating, and they have custom packaging requirements. This product was a specialty product and, therefore, required longer lead times from most manufacturers. This distributor does a vendor managed inventory (VMI) bin stocking for this end user and must maintain stock at all time. The end user needed this specialty product for use in a resistor application and quantities varied from season to season. Sometimes a higher than normal demand would cause an urgent rush for these custom parts, making it harder for them to maintain inventory for stocking their bins.

SOLUTION

With a custom stocking agreement, All America Threaded Products (AATProd) was able to greatly reduce lead time from 6 weeks to 3 days for this distributor. Within this stocking agreement, the distributor was able to receive these specialty products when they needed them, preventing them from going out of stock. AATProd acts as an extension of their warehouse by making sure they have the agreed upon stocking quantities for their customer.

The reduced lead times not only saved the distributor time, but it solidified their relationship with their customer. Once the stocking agreement was put in place, the distributor was able to meet demanding timelines with high-quality product. This positions them as a leader in the fastener distribution industry.

QUOTE

"AATProd has helped us, help our customers with these stocking agreements. We never have to worry if we will meet our customers' timelines. This has been a huge relief. I wish we could do this for our other line of parts." – Industrial Fastener Distributor